

Control Number: 51812



Item Number: 47

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ROUFIVEU **PROJECT NO. 51812** 

ISSUES RELATED TO THE STATE OF DISASTER FOR THE FEBRUARY 2021 WINTER WEATHER EVENT **§**§

BEFORE THE 2 PM 3: 21 PUBLIC UTILITY COMMISSIONS AND ADDRESS OF THE PUBLIC UTILITY OF TH OF TEXASING CLERK

#### REQUEST FOR EMERGENCY ACTION

Immediate action is required by the Public Utility Commission of Texas, ("PUCT" or "Commission") to avoid irreparable harm to the Texas electric market, its participants, and the public while the Commission, policymakers, and other industry stakeholders consider longer term solutions to what is now a financial crisis. A coalition of various certificated, competitive Retail Electric Providers operating in Texas<sup>1</sup> ("Coalition of Competitive Retail Electric Providers" or "CCR") requests that the Commission:

- 1) order ERCOT to implement the recommendations advanced by ERCOT's Independent Market Monitor (IMM) as filed on March 1, 2021 in this docket<sup>2</sup>
- 2) order ERCOT to implement the recommendations advanced by TEAM in its February 19, 2021 filing in this docket.

Specifically, the CCR's agrees with the IMM that for operating days February 15 through February 20, 2021 ERCOT should, at a minimum, reprice all day-ahead ancillary services (AS) clearing prices to the cap them at the System-Wide Offer Cap (SWCAP) of \$9,000 per MWh.

We further agree that for operating days February 14 through February 19, 2021, ERCOT should invoke the "failure to provide" settlement treatment for all AS that were not provided in real time.

We agree with the IMM that the Commission should order ERCOT to complete them in

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<sup>&</sup>lt;sup>1</sup> The Coalition of Competitive Retailers supporting this filing including those in Attachment One.

<sup>&</sup>lt;sup>2</sup> See Potomac Economics Letter to Commissioners dated March 1, 2021 filed in Docket 51812

the order specified; namely to resettle the day-ahead market to cap the AS prices first, then initiate the "failure to provide" settlement.

Finally, we agree with TEAM that the Commission should instruct ERCOT to remove the administrative price adder consistent with the Commission's Order Directing ERCOT to Take Certain Actions and as of 1:00 am on February 18, 2021. We further urge the Commission to direct ERCOT to correct prices consistent with this Order back to 1:05 am on February 18, 2021 at the time ERCOT removed the firm load shed instructions to the transmission and distribution utilities. The Commission should also remove the adder in its entirety. It is imperative that these steps be taken to avoid, or at least mitigate, irreparable harm to the competitive retail market including both retail electric providers and their customers.

#### **COMMISSION'S AUTHORITY TO ACT**

The Commission has previously noted that PURA §39.151(d) gives the Commission complete authority over ERCOT. The Commission can also rely on the following authority:

- 16 TEX. ADMIN CODE § 25.501(a) provides that ERCOT determines market clearing prices of energy and other ancillary services in the ERCOT market unless otherwise directed by the Commission.
- PURA § 39.151(d-4)(6) provides that the Commission may "resolve disputes between an affected person and an independent organization and adopt procedures for the efficient resolution of such disputes."
- PURA §35.004(e) provides: "The commission shall ensure that ancillary services
  necessary to facilitate the transmission of electric energy are available at reasonable
  prices with terms and conditions that are not unreasonably preferential, prejudicial,
  discriminatory, predatory, or anticompetitive. In this subsection, 'ancillary services'
  means services necessary to facilitate the transmission of electric energy including load
  following, standby power, backup power, reactive power, and any other services as the
  commission may determine by rule."
- PURA § 39.001(d) provides: "Regulatory authorities ... shall authorize or order competitive rather than regulatory methods to achieve the goals of this chapter to the greatest extent feasible and shall adopt rules and issue orders that are both practical and limited so as to impose the least impact on competition."

WHEREFORE, PREMISES CONSIDERED, the Coalition of Competitive Retailers respectfully requests that the Commission immediately order ERCOT to take the actions described herein and further requests such other and further relief to which it shows itself entitled.

Respectfully Submitted,

By:

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ATTORNEY FOR THE COALITION OF COMPETITIVE RETAILERS

## **Attachment One**

# Coalition of Competitive Retail Electric Providers Supporting this Motion

### **Background**

The Coalition of Competitive Retailers is an ad hoc group of competitive Retail Electric Providers that joined together in its desire to address the market issues stemming from the February 2021 Winter Weather Emergency.

#### Participants in this filing:

GridPlus Texas Inc. (GridPlus)
LPT LLC (Liberty Power)
Summer Energy LLC
ATG Clean Energy Holdings Inc.
Volt Electricity Provider LP
Brooklet Energy Distribution LLC
Pogo Energy LLC
Alliance Power Company LLC
3000 Energy Corp. (Penstar Power)
Bulb US LLC
174 Power Global Retail Texas LLC (Chariot Energy)